

ARLINGTON FINANCE COMMITTEE
MINUTES OF MEETING
TOWN HALL HEARING ROOM
2/3/14

ATTENDEES:

Deyst*	White*	Caccavaro*	Kellar*	McKenna*
DeCoursey*	Connors*	Simmons*	Gibian*	
Tosti*	Foskett*	Bayer*	Ronan	
Kardon*	Beck*	Jones*	Deshler*	
Franclemont*	Howard*	Fanning*	Carman*	Turkall*

* Indicates present

VISITORS: Town Manager Adam Chapdelaine, Deputy Town Manager Andrew Flanagan, Town Counsel Doug Heim

WELCOME: New members Kardon, Caccavaro & Kellar welcomed.

LONG RANGE PLAN: Chapdelaine walked the FinCom through the current plan (Ref 1). This plan is based on the Governor's budget. He explained the growth factor in the School budget which is intended to cover the sizable increase in enrollment the schools saw last year and this year and expect to see in the next few years. The factor is enrollment increase times 25% of the per pupil cost as determined by the state BoE. The insurance budget is increased to account for the new teachers needed to handle the additional students. The Minuteman request is increased because of Arlington student increase. Local receipts are still projected lower than recent experience. Chapdelaine stated that the recent increases were one time events which can't be predicted. No override will be needed until FY19. The exempt debt, except for Peirce, will be retired by 2019. Ottoson debt will be retired by 2018. Symmes revenue expected to offset Symmes debt payments in FY15 but not in FY14.. Affordable Care Act assumed to have no effect on health care insurance cost. The low health care increases in FY 13 & FY14 were caused by input of Federal funds which are not expected to continue. The Health Care Trust Fund will again contribute \$300k to the OPEB Trust Fund, but this time directly. The Overlay Reserve cycle is included but the cost of revaluation may not be. Chapdelaine said the new Fire Captain will coordinate the rescue program which is a revenue generator. The FinCom requested figures showing how an expansion in this program will cover the new position. Chapdelaine has begun a M Schedule self evaluation process on which to base step increases beyond step 5.

SNOW AND ICE: Chapdelaine showed the cost of snow removal (Ref 2) has exceeded the budget. He requested authority to exceed the snow & ice budget. VOTED to authorize \$500,000 additional expenditure in the Snow Removal Budget. Unanimous.

RESERVE FUND: \$663,914

COMMITTEE: In case of snow on a scheduled meeting night, the meeting will be canceled if there is a parking ban in effect.

Members reminded not to participate publicly in local elections so as to maintain the impartiality of FinCom recommendations.

Members, when appointed or reappointed, should go to the Town Clerk be sworn in. Our goal is to finish budgets and hearings by mid-March leaving 3/24 & 3/26 for wrap ups.

Peter Howard 2/4/14 Revised 2/10/14

cc FinCom Members, Town Web Site

Ref 1 Long Range Projection

Ref 2 Snow Removal Costs

Long Range Projection 2014-2019
FY 2015 Annual Budget
(Governor's Budget)

Ref 1

		FY 2014	FY 2015	Dollar Change	Percent Change	FY 2016	Dollar Change	Percent Change	FY 2017	Dollar Change	Percent Change	FY 2018	Dollar Change	Percent Change	FY 2019	Dollar Change	Percent Change
I. REVENUE																	
A. State Aid		17,093,258	17,289,891	196,633	1.15%	17,477,077	187,186	1.08%	17,693,420	216,343	1.24%	17,880,426	187,006	1.06%	18,156,602	276,176	1.54%
School Construction Aid		2,474,773	2,474,773	0	0.00%	2,474,773	0	0.00%	2,474,773	0	0.00%	1,615,914	(858,859)	-34.70%	476,523	(1,139,391)	-70.51%
B. Local Receipts		8,158,000	8,555,000	397,000	4.87%	8,605,000	50,000	0.58%	8,655,000	50,000	0.58%	8,705,000	50,000	0.58%	8,755,000	50,000	0.57%
C. Free Cash/Muni Building Trust		3,411,528	3,042,925	(368,604)	-10.80%	1,500,000	(1,542,925)	-50.71%	1,500,000	0	0.00%	1,500,000	0	0.00%	1,500,000	0	0.00%
D. Overlay Reserve Surplus		200,000	350,000	150,000		200,000	(150,000)	-42.86%	200,000	0	0.00%	200,000	0	0.00%	200,000	0	0.00%
E. Property Tax		101,737,509	104,560,424	2,822,915	2.77%	107,319,687	2,759,264	2.64%	110,176,763	2,857,076	2.66%	113,118,630	2,941,867	2.67%	116,347,715	3,229,085	2.85%
F. Override Stabilization Fund						914,986			3,936,516			7,214,211			5,217,269		
TOTAL REVENUES		133,075,068	136,273,012	3,197,945	2.40%	138,491,523	2,218,511	1.63%	144,636,473	6,144,950	4.44%	150,234,181	5,597,709	3.87%	150,653,109	418,928	0.28%
II. APPROPRIATIONS																	
A. Operating Budgets																	
School		47,675,113	50,729,968	3,054,855		53,299,194	2,569,226		56,058,267	2,759,073		58,893,786	2,835,519		62,060,278	3,166,492	
General Education Costs		31,418,665	32,518,318	1,099,653	3.50%	34,572,590	2,054,271	6.32%	36,046,711	1,474,121	4.26%	37,634,370	1,587,660	4.40%	39,212,393	1,578,023	4.19%
Special Education Costs*		15,286,448	16,356,500	1,070,052	7.00%	17,501,455	1,144,955	7.00%	18,726,557	1,225,102	7.00%	20,037,415	1,310,859	7.00%	21,440,035	1,402,619	7.00%
Kindergarten Fee Offset		970,000	970,000	0	0.00%	970,000	0	0.00%	970,000	0	0.00%	970,000	0	0.00%	970,000	0	0.00%
Growth Factor			885,150			255,150			315,000			252,000			437,850		
Net School Budget		47,675,113	50,729,968	3,054,855	6.41%	53,299,194	2,569,226	5.06%	56,058,267	2,759,073	5.18%	58,893,786	2,835,519	5.06%	62,060,278	3,166,492	5.38%
Minuteman		3,336,935	3,847,068	510,133	15.29%	3,981,715	134,647	3.50%	4,121,075	139,360	3.50%	4,265,313	144,238	3.50%	4,414,599	149,286	3.50%
Town		23,064,316	24,000,892	936,576	4.06%	25,899,216	1,898,324	7.91%	27,089,481	1,190,265	4.60%	28,323,156	1,233,674	4.55%	29,601,759	1,278,603	4.51%
Personnel Services		9,305,801	9,486,933	181,132	1.95%	9,536,933	50,000	0.53%	9,586,933	50,000	0.52%	9,636,933	50,000	0.52%	9,686,933	50,000	0.52%
Expenses																	
Less Offsets:																	
Enterprise Fund/Other		1,791,215	1,993,929	202,714	11.32%	2,063,717	69,788	3.50%	2,135,947	72,230	3.50%	2,210,705	74,758	3.50%	2,288,079	77,375	3.50%
Tip Fee Stabilization Fund		164,000	0	(164,000)	-100%	0	0		0	0		0	0		0	0	
Net Town Budget		31,164,902	32,243,896	1,078,994	3.46%	33,372,432	1,128,536	3.50%	34,540,467	1,168,035	3.50%	35,749,384	1,208,916	3.50%	37,000,612	1,251,228	3.50%
MWRA Debt Shift		5,593,112	5,593,112	0	0.00%	5,593,112	0	0.00%	5,593,112	0	0.00%	5,593,112	0	0.00%	5,593,112	0	0.00%
B. Capital budget																	
Exempt Debt Service		3,018,625	2,771,358	(247,267)	-8.19%	2,635,325	(136,033)	-4.91%	2,524,722	(110,603)	-4.20%	2,424,741	(99,981)	-3.96%	1,396,516	(1,028,225)	-42.41%
Non-Exempt Service		5,747,610	5,788,253	40,643	0.71%	6,268,757	480,504	8.30%	6,847,283	578,526	9.23%	6,065,050	(782,233)	-11.42%	6,045,716	(19,334)	-0.32%
Cash		1,450,700	1,554,300	103,600	7.14%	1,369,400	(184,900)	-11.90%	1,407,525	38,125	2.78%	1,250,963	(156,562)	-11.12%	1,389,577	138,614	11.08%
Minus Capital Carry Forward		(385,625)	(333,142)	52,483	-13.61%	(415,600)	(82,458)	24.75%	(555,600)	(140,000)	33.69%	(130,600)	425,000	-76.49%	(130,600)	0	0.00%
Total Capital		9,831,310	9,780,769	(50,541)	-0.51%	9,857,882	77,113	0.79%	10,223,930	366,048	3.71%	9,610,154	(613,776)	-6.00%	8,701,209	(908,945)	-9.46%
C. Pensions																	
		8,160,032	8,663,368	503,336	6.17%	9,183,170	519,802	6.00%	9,734,160	550,990	6.00%	10,318,210	584,050	6.00%	10,937,302	619,093	6.00%
D. Insurance																	
		14,739,366	16,008,179	1,268,813	8.61%	17,142,958	1,134,779	7.09%	18,422,774	1,279,816	7.47%	19,780,685	1,357,911	7.37%	21,291,515	1,510,830	7.64%
E. State Assessments																	
		2,998,089	3,060,588	62,499	2.08%	3,137,103	76,515	2.50%	3,215,530	78,428	2.50%	3,295,919	80,388	2.50%	3,378,316	82,398	2.50%
F. Offset Aid - Library & School																	
		60,566	60,566	0	0.00%	60,566	0	0.00%	60,566	0	0.00%	60,566	0	0.00%	60,566	0	0.00%
G. Overlay Reserve																	
		1,019,663	600,000	(419,663)	-41.16%	800,000	200,000	33.33%	600,000	(200,000)	-25.00%	600,000	0	0.00%	800,000	200,000	33.33%
H. Other																	
Crt Jdgmnts/ Deficit/ symmes		1,609,415	1,277,750	(331,665)	-20.61%	1,274,675	(3,075)	-0.24%	1,277,875	3,200	0.25%	1,278,338	463	0.04%	1,271,250	(7,088)	-0.55%
I. Warrant Articles																	
		1,112,692	788,715	(323,977)	-29.12%	788,715	0	0.00%	788,715	0	0.00%	788,715	0	0.00%	788,715	0	0.00%
J. Override Stabilization Fund																	
		5,773,873	3,619,033														
K. TOTAL APPROPRIATIONS		133,075,068	136,273,012	3,197,945	2.40%	138,491,523	2,218,511	1.63%	144,636,473	6,144,950	4.44%	150,234,181	5,597,709	3.87%	156,297,475	6,063,294	4.04%
BALANCE		0	0			0			0			0			(5,644,366)		
Surplus / (deficit) to carryover to next year		0	0			0			0			0			(5,644,366)		
Reserve Balances																	
Free Cash		6,085,848	3,000,000			3,000,000			3,000,000			3,000,000			3,000,000		
Stabilization Fund		2,768,663	2,951,723			3,140,275			3,334,483			3,534,517			3,740,553		
Override Stabilization Fund		13,663,949	17,282,982			16,367,996			12,431,480			5,217,269			0		
Tip Fee Stabilization Fund		0	0			0			0			0			0		
Municipal Bldg Ins. Trust Fund		884,170	910,695			938,016			966,157			995,141			1,024,995		
TOTAL:		23,402,630	24,145,400			23,446,287			19,732,119			12,746,928			7,765,548		
% of General Fund Revenue		17.6%	17.7%			16.9%			13.6%			8.5%			5.2%		

The plan does not include any potential impacts of an Arlington High School or Minuteman Regional Vocational School Building Project (s)

Long Range Projection 2014-2019
FY 2015 Annual Budget
 (Governor's Budget + 1% UGGA Increase)

		FY 2014	FY 2015	Dollar Change	Percent Change	FY 2016	Dollar Change	Percent Change	FY 2017	Dollar Change	Percent Change	FY 2018	Dollar Change	Percent Change	FY 2019	Dollar Change	Percent Change
I REVENUE																	
A. State Aid		17,093,258	17,355,577	262,319	1.53%	17,543,420	187,843	1.08%	17,760,426	217,006	1.24%	17,948,102	187,676	1.06%	18,224,955	278,853	1.54%
	School Construction Aid	2,474,773	2,474,773	0	0.00%	2,474,773	0	0.00%	2,474,773	0	0.00%	1,615,914	(858,859)	-34.70%	476,523	(1,139,391)	-70.51%
B. Local Receipts		8,158,000	8,555,000	397,000	4.87%	8,605,000	50,000	0.58%	8,655,000	50,000	0.58%	8,705,000	50,000	0.58%	8,755,000	50,000	0.57%
C. Free Cash/Muni Building Trust		3,411,528	3,042,924	(368,604)	-10.80%	1,500,000	(1,542,924)	-50.71%	1,500,000	0	0.00%	1,500,000	0	0.00%	1,500,000	0	0.00%
D. Overlay Reserve Surplus		200,000	350,000	150,000		200,000	(150,000)	-42.86%	200,000	0	0.00%	200,000	0	0.00%	200,000	0	0.00%
E. Property Tax		101,737,509	104,560,424	2,822,915	2.77%	107,319,687	2,759,264	2.64%	110,176,763	2,857,076	2.66%	113,118,630	2,941,867	2.67%	116,347,715	3,229,085	2.85%
F. Override Stabilization Fund																	
TOTAL REVENUES		133,075,068	136,338,698	3,263,631	2.45%	138,491,524	2,152,826	1.58%	144,636,473	6,144,949	4.44%	150,234,182	5,597,710	3.87%	150,988,172	753,991	0.50%
II APPROPRIATIONS																	
A. Operating Budgets																	
	School	47,675,113	50,729,968	3,054,855		53,299,194	2,569,226		56,058,267	2,759,073		58,893,786	2,835,519		62,060,278	3,166,492	
	General Education Costs	31,418,665	32,518,318	1,099,653	3.50%	34,572,590	2,054,271	6.32%	36,046,711	1,474,121	4.26%	37,634,370	1,587,660	4.40%	39,212,393	1,578,023	4.19%
	Special Education Costs*	15,286,448	16,356,500	1,070,052	7.00%	17,501,455	1,144,955	7.00%	18,726,557	1,225,102	7.00%	20,037,415	1,310,859	7.00%	21,440,035	1,402,619	7.00%
	Kindergarten Fee Offset	970,000	970,000	0	0.00%	970,000	0	0.00%	970,000	0	0.00%	970,000	0	0.00%	970,000	0	0.00%
	Growth Factor		885,150			255,150			315,000			252,000			437,850		
	Net School Budget	47,675,113	50,729,968	3,054,855	6.41%	53,299,194	2,569,226	5.06%	56,058,267	2,759,073	5.18%	58,893,786	2,835,519	5.06%	62,060,278	3,166,492	5.38%
	Minuteman	3,336,935	3,847,068	510,133	15.29%	3,981,715	134,647	3.50%	4,121,075	139,360	3.50%	4,265,313	144,238	3.50%	4,414,599	149,286	3.50%
Town	Personnel Services	23,064,316	24,000,892	936,576	4.06%	25,899,216	1,898,324	7.91%	27,089,481	1,190,265	4.60%	28,323,156	1,233,674	4.55%	29,601,759	1,278,603	4.51%
	Expenses	9,305,801	9,486,933	181,132	1.95%	9,536,933	50,000	0.53%	9,586,933	50,000	0.52%	9,636,933	50,000	0.52%	9,686,933	50,000	0.52%
	Less Offsets:																
	Enterprise Fund/Other	1,791,215	1,993,929	202,714	11.32%	2,063,717	69,788	3.50%	2,135,947	72,230	3.50%	2,210,705	74,758	3.50%	2,288,079	77,375	3.50%
	Tip Fee Stabilization Fund	164,000		(164,000)	-100%	0	0		0	0		0	0		0	0	
	Net Town Budget	31,164,902	32,243,896	1,078,994	3.46%	33,372,432	1,128,536	3.50%	34,540,467	1,168,035	3.50%	35,749,384	1,208,916	3.50%	37,000,612	1,251,228	3.50%
	MWRA Debt Shift	5,593,112	5,593,112	0	0.00%	5,593,112	0	0.00%	5,593,112	0	0.00%	5,593,112	0	0.00%	5,593,112	0	0.00%
B. Capital budget																	
	Exempt Debt Service	3,018,625	2,771,358	(247,267)	-8.19%	2,635,325	(136,033)	-4.91%	2,524,722	(110,603)	-4.20%	2,424,741	(99,981)	-3.96%	1,396,516	(1,028,225)	-42.41%
	Non-Exempt Service	5,747,610	5,788,253	40,643	0.71%	6,268,757	480,504	8.30%	6,847,283	578,526	9.23%	6,065,050	(782,233)	-11.42%	6,045,716	(19,334)	-0.32%
	Cash	1,450,700	1,554,300	103,600	7.14%	1,369,400	(184,900)	-11.90%	1,407,525	38,125	2.78%	1,250,963	(156,562)	-11.12%	1,389,577	138,614	11.08%
	Minus Capital Carry Forward	(385,625)	(333,142)	52,483	-13.61%	(415,600)	(82,458)	24.75%	(555,600)	(140,000)	33.69%	(130,600)	425,000	-76.49%	(130,600)	0	0.00%
	Total Capital	9,831,310	9,780,769	(50,541)	-0.51%	9,857,882	77,113	0.79%	10,223,930	366,048	3.71%	9,610,154	(613,776)	-6.00%	8,701,209	(908,945)	-9.46%
C. Pensions																	
	D. Insurance	8,160,032	8,663,368	503,336	6.17%	9,183,170	519,802	6.00%	9,734,160	550,990	6.00%	10,318,210	584,050	6.00%	10,937,302	619,093	6.00%
D. Insurance																	
	E. State Assessments	14,739,366	16,008,179	1,268,813	8.61%	17,142,958	1,134,779	7.09%	18,422,774	1,279,816	7.47%	19,780,685	1,357,917	7.37%	21,291,515	1,510,830	7.64%
E. State Assessments																	
	F. Offset Aid - Library & School	2,998,089	3,060,588	62,499	2.08%	3,137,103	76,515	2.50%	3,215,530	78,428	2.50%	3,295,919	80,389	2.50%	3,378,317	82,398	2.50%
F. Offset Aid - Library & School																	
	G. Overlay Reserve	60,566	60,566	0	0.00%	60,566	0	0.00%	60,566	0	0.00%	60,566	0	0.00%	60,566	0	0.00%
G. Overlay Reserve																	
	H. Other	1,019,663	600,000	(419,663)	-41.16%	800,000	200,000	33.33%	600,000	(200,000)	-25.00%	600,000	0	0.00%	800,000	200,000	33.33%
H. Other																	
	I. Warrant Articles	1,609,415	1,277,750	(331,665)	-20.61%	1,274,675	(3,075)	-0.24%	1,277,875	3,200	0.25%	1,278,338	463	0.04%	1,271,250	(7,088)	-0.55%
I. Warrant Articles																	
	J. Override Stabilization Fund	1,112,692	788,715	(323,977)	-29.12%	788,715	0	0.00%	788,715	0	0.00%	788,715	0	0.00%	788,715	0	0.00%
J. Override Stabilization Fund																	
K. TOTAL APPROPRIATIONS		133,075,068	136,338,698	3,263,631	2.45%	138,491,524	2,152,826	1.58%	144,636,473	6,144,949	4.44%	150,234,182	5,597,710	3.87%	156,297,476	6,063,294	4.04%
BALANCE		0	0			0			0			0			(5,309,303)		

Surplus / (deficit) to carryover to next year

C

0

0

0

0

(5,309,303)

Reserve Balances														
Free Cash	6,085,848	3,000,000			3,000,000		3,000,000			3,000,000		3,000,000		
Stabilization Fund	2,768,663	2,951,723			3,140,275		3,334,483			3,534,517		3,740,553		
Override Stabilization Fund	13,663,949	17,348,668			16,500,024		12,630,514			5,483,979		0		
Tip Fee Stabilization Fund	0	0			0		0			0		0		
Municipal Bldg Ins. Trust Fund	884,170	910,695			938,016		966,157			995,141		1,024,995		
TOTAL:	23,402,630	24,211,086			23,578,314		19,931,154			13,013,638		7,765,549		
% of General Fund Revenue	17.6%	17.8%			17.0%		13.8%			8.7%		5.1%		

The plan does not include any potential impacts of an Arlington High School or Minuteman Regional Vocational School Building Project (s)



PUBLIC WORKS DEPARTMENT
TOWN OF ARLINGTON
51 Grove Street, Arlington, Massachusetts 02476
Phone: (781) 316-3108 Fax: (781) 316-3281

Memo to: Adam Chapdelaine
From: Mike Rademacher
Date: January 30, 2014
Subject: Current 2013-2014 Snow/Ice Expenditures

Below is a summary of expenditures to date for snow/ice operations:

Since the last memo on January 9th, there have been an additional 7 snow/ice events (5 ice events, 2 snow events)

Totals for the season:

16 – snow/ice events (8 snow events, 8 ice events);
36”± total snowfall

Town Appropriation for Snow/Ice - \$724,000

Expended to date:
\$798,325 broken down as follows:

- \$370,400 in salt purchases (of which a significant amount is still stockpiled)
- \$78,550 vehicle parts and repairs (includes other misc. costs related to snow/ice operations, i.e sand, ice melt, tarps)
- \$147,525 DPW overtime expenses (10 of the storms where either weekend or overnight events).
- \$201,850 Contracted Plowing (contractors have been called in on 5 of the 16 events)

Please do not hesitate to contact me with any questions.